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14 Archbishop of San Francisco

15 UNITED STATES BANKRUPTCY COURT

16 NORTHERN DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION

17 In re
18 THE ROMAN CATHOLIC ARCHBISHOP
OF SAN FRANCISCO,

19 Debtor and
20 Debtor in Possession.

Case No. 23-30564

Chapter 11

**DECLARATION OF JOSEPH J.
PASSARELLO IN SUPPORT OF DEBTOR'S
EMERGENCY MOTION TO (1) ESTABLISH
NOTICE PROCEDURES, (2) FILE
CONFIDENTIAL INFORMATION UNDER
SEAL, AND (3) TEMPORARILY SUSPEND
DEADLINE FOR FILING PROOFS OF
CLAIMS**

Date: August 24, 2023
Time: 1:30 p.m.
Place: Via ZoomGov
Judge: Hon. Dennis Montali

Hearing Requested on Shortened Time

Case No. 23-30564

1 I, Joseph J. Passarello, declare as follows:

2 1. I am the Chief Financial Officer (“CFO”) of The Roman Catholic Archbishop of San
3 Francisco, the debtor and debtor in possession herein (“RCASF” or the “Debtor”). I have been the
4 CFO of the RCASF since January 2014. Prior to that, I have been the CFO for several other
5 companies including Serena Software, Aptina Imaging, AMI Semiconductor, and Therma-Wave,
6 Inc. I have a Master of Business Administration from Santa Clara University and a Bachelor of
7 Science in Economics and Business Administration from St. Mary’s College. I am authorized to
8 provide this declaration setting forth the general structure and history of RCASF. In the course and
9 scope of my duties as CFO, I am familiar with the record keeping practices and policies of the
10 RCASF and how it regularly maintains its business records.

11 2. All facts set forth in this Declaration are based on my personal knowledge, upon
12 information supplied to me by people who report to me, upon information supplied to me by the
13 RCASF’s professionals and consultants, upon my review of relevant documents, or upon my opinion
14 based on my experience and knowledge with respect to the RCASF’s operations, financial condition,
15 and related business issues. The documents submitted herewith, referenced herein or otherwise
16 relied upon by me for purposes of this Declaration are the business records of the RCASF, prepared
17 and maintained in the ordinary and regularly conducted business activity of the RCASF, and used
18 by me for those purposes. If I were called upon to testify, I could and would testify competently to
19 the facts set forth herein, and I am authorized to submit this Declaration on behalf of the RCASF.

20 3. I make this declaration in support of the RCASF’s motion to the Court for an order
21 (i) establishing notice procedures, (ii) authorizing the Debtor to file confidential information under
22 seal, and (iii) temporarily suspending the deadline for non-government creditors to file proofs of
23 claim (“Motion”). I have read the Motion and all statements therein are true and correct to the best
24 of my knowledge. All terms not otherwise defined herein have the same meaning as set forth in the
25 Motion.

26 4. The RCASF filed this bankruptcy case (“Bankruptcy Case”) to reorganize its
27 financial affairs pursuant to a plan of reorganization that will, among other things, fairly, justly, and
28 equitably compensate survivors of sexual abuse by clergy or others associated with the RCASF and

1 bring healing to survivors, parishioners and others affected by past acts of sexual abuse. The
2 RCASF requires protection under the Bankruptcy Code and Bankruptcy Rules to make fair and
3 equitable payment on all of the claims against it, including claims by survivors of abuse, trade
4 creditors, and others, while continuing its ministries and support of the Non-Debtor Catholic Entities
5 (defined below) and faithful in the ordinary course. Additional background information on the
6 RCASF can be found in my declaration regarding description of the Debtor and pre-filing history
7 (“Passarello Background Declaration”) filed on August 21, 2023 (“Petition Date”).

8 5. The Debtor requests entry of an order establishing appropriate notice procedures and
9 to file confidential information under seal. For the reasons set forth below, the Debtor requests entry
10 of an order limiting notice on various matters only to the affected parties as described in the Motion.

11 6. Currently, well over 1,000 creditors and parties in interest may technically be entitled
12 to receive notice in this Bankruptcy Case. To require the Debtor to provide notice of all pleadings
13 and other papers filed in this Bankruptcy Case to all these parties in interest, no matter how limited
14 their interests may be with respect to a particular matter, would be extremely burdensome and costly
15 to the estate due to photocopying and postage expenses, as well as other expenses associated with
16 such large mailings. For example, the copying and postage cost to serve a fifteen-page pleading
17 packet on all approximately 1,600 creditors and parties in interest is approximately \$6,500.00.

18 7. The Debtor proposes that service be generally limited to: (i) the Office of the United
19 States Trustee for the Northern District of California (the “U.S. Trustee”); (ii) the Debtor; (iii) the
20 Debtor’s attorneys; (iv) the Debtor’s 20 largest unsecured creditors or the attorneys for any statutory
21 committee appointed by the U.S. Trustee (the “Creditors’ Committee”); (v) the attorneys for any
22 other committee appointed by the U.S. Trustee; (vi) the attorneys for the Debtor’s pre-petition
23 secured creditors, if any; (vii) those parties that have formally appeared by filing a Notice of
24 Appearance, a Request for Notice, or similar documents and requested notice in this Bankruptcy
25 Case under Bankruptcy Rule 2002; and (viii) the Internal Revenue Service and corresponding state
26 agencies, as well as other governmental agencies, to the extent required by the Bankruptcy Rules
27 and the Bankruptcy Local Rules (“Limited Service List”).

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1 8. The proceedings with respect to which notice would be limited to the Limited Service
2 List would include all matters covered by Bankruptcy Rule 2002, with the *express exception* of the
3 following: (i) notice of the first meeting of creditors pursuant to section 341 of the Bankruptcy Code;
4 (ii) notice of the time fixed for filing proofs of claim pursuant to Bankruptcy Rule 3003(c) (*i.e.*, the
5 Bar Date); (iii) notice of the time fixed for filing objections to, and the hearing to consider approval
6 of, a disclosure statement or confirmation of a plan of reorganization; and (iv) notice and transmittal
7 of ballots for accepting or rejecting a plan of reorganization. The Limited Service List also would
8 be used for proceedings in addition to those matters described in Bankruptcy Rule 2002 that may be
9 required by the Bankruptcy Local Rules to be served upon all parties in interest.

10 9. With regard to the request to file under seal the any document containing the names
11 of abuse claimants or potential abuse claimants, the Debtor submits that such parties may prefer to
12 not have their names associated with making claims of abuse. For example, virtually all of the
13 lawsuits filed alleging abuse are filed in the name of a Doe plaintiff, indicating that such information
14 is considered sensitive and confidential. The Debtor makes this request out of respect for the
15 confidentiality of the claimants and the unusually public nature of bankruptcy proceedings.

16 10. Subject to Court approval, the Debtor intends to employ a noticing agent in this
17 Bankruptcy Case and will file a separate application to this effect. If approved, the noticing agent
18 will post copies of all pleadings filed by any party on a website to allow free, public access to all
19 pleadings on the docket in this Bankruptcy Case.

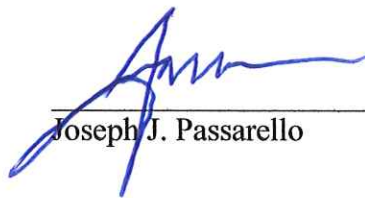
20 11. The Debtor likely has well over 1,000 non-government parties in interest/creditors,
21 consisting mainly of alleged abuse claimants who have filed suits against the Debtor. Under the
22 special circumstances of this Bankruptcy Case, the Debtor anticipates seeking authority to hire a
23 claims agent and implement a detailed claims procedure, including the filing of confidential,
24 specialized proof of claim forms with the claims agent. The Debtor will consult with the Creditors'
25 Committee, if one is appointed by the U.S. Trustee, and the Debtor's insurers regarding the proposed
26 procedures for filing claims in this Bankruptcy Case. The Debtor anticipates filing an application
27 to approve a claims and noticing agent (the "Claims/Noticing Agent Application"), and a separate
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1 motion to approve specialized claims procedures (the "Claim Procedures Motion") once the
2 Creditors' Committee has been appointed.

3 12. To avoid confusion and inefficiency, the Debtor believes it is in the best interest of
4 parties in interest in this Bankruptcy Case to vacate the current Bar Date and to reset the Bar Date
5 pursuant to the anticipated Claim Procedures Motion. Vacating and temporarily suspending the Bar
6 Date to allow for a more comprehensive claims procedure is essential so that creditors are not
7 confused about the proper procedures for filing claims. The Debtor shall provide notice of the
8 vacating of any Bar Date already set upon entry of the Order approving the relief requested in this
9 Motion, if any.

10 13. The Debtor asserts that the relief requested in the Motion is in the best interests of its
11 estate and its creditors and will not prejudice the rights of any party-in-interest in this case.

12 I declare under penalty of perjury under the laws of the United States of America that the
13 foregoing is true and correct. Executed on August 17, 2023 at San Francisco, California.

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Joseph J. Passarello